

ORIGINAL

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ARIZONA CORPORATION COMMISSION

March 30, 2009

To: Docket Control

RE: Arizona American Water Company - Customer Comments
Docket Nos. W-01303A-08-0227 and SW-01303A-08-0227

Please docket the attached 5 customer comments OPPOSING the above filed rate case.

Customer comments can be reviewed in E-docket under the above docket numbers.

Filed by: Utilities Division – Consumer Services

Arizona Corporation Commission
DOCKETED

MAR 30 2009

DOCKETED BY	<i>MM</i>
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ARIZONA CORPORATION COMMISSION
DOCKET CONTROL

2009 MAR 30 P 2:34

RECEIVED

LAVA DRIVE HOME OWNERS'S ASSOCIATION
SUN CITY WEST, ARIZONA
85375

Date; MARCH 22, 2009

Arizona Corporation Commission
1200 W. Washington St., Room 1
Phoenix, AZ 85007

Docket No. W-01303A-08-0227 and SW-01303A-08-2007

Dear Commissioners,

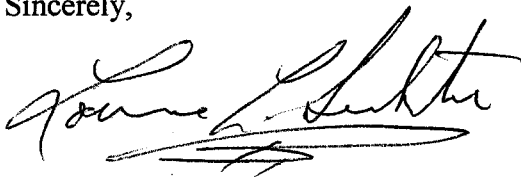
We live in the Lava Drive Home Owners Association of Sun City West, Arizona which has thirty five (35) homes and we are appalled by the ridiculously high rate increase requested by AZ/AM Water.

We certainly cannot understand how they justify an increase of 79.96% in the water rate for our area.

Is this another case of poor management and poor planning by AZ/AM and now they want the customer to be the savior of the problems they themselves have created.

Please protect us by drastically slashing the rate increase you allow AZ/AM Water to have. AZ/AM Water is asking for 500% increase in operating income at a time when we and the entire country are in a financial mess. Your assistance will be greatly appreciated by us and all of the residences in Sun City West Arizona.

Sincerely,



Print your name: LORRAINE SECHTER

Address: 18633 N. 136TH DRIVE
SUN CITY WEST, AZ 85375

Lorraine Sechter
18633 N. 136th Dr.
Sun City West, AZ 85375-4747

LAVA DRIVE HOME OWNERS'S ASSOCIATION
SUN CITY WEST, ARIZONA
85375

Date; 3/22/2009

Arizona Corporation Commission
1200 W. Washington St., Room 1
Phoenix, AZ 85007

Docket No. W-01303A-08-0227 and SW-01303A-08-2007

Dear Commissioners,

We live in the Lava Drive Home Owners Association of Sun City West, Arizona which has thirty five (35) homes and we are appalled by the ridiculously high rate increase requested by AZ/AM Water.

We certainly cannot understand how they justify an increase of 79.96% in the water rate for our area.

Is this another case of poor management and poor planning by AZ/AM and now they want the customer to be the savior of the problems they themselves have created.

Please protect us by drastically slashing the rate increase you allow AZ/AM Water to have. AZ/AM Water is asking for 500% increase in operating income at a time when we and the entire country are in a financial mess. Your assistance will be greatly appreciated by us and all of the residences in Sun City West Arizona.

Sincerely,



Print your name: NANCY FOGARTY

Address: 18605 N 136TH DR.
SUN CITY WEST, AZ 85375

NANCY FOGARTY
18605 N 136TH DR
SUN CITY WEST AZ 85375

Mar. 20. 09

Ms. Lorraine H. Tacker
15009 W Greystone Dr
Sun City West, AZ 85375-6114

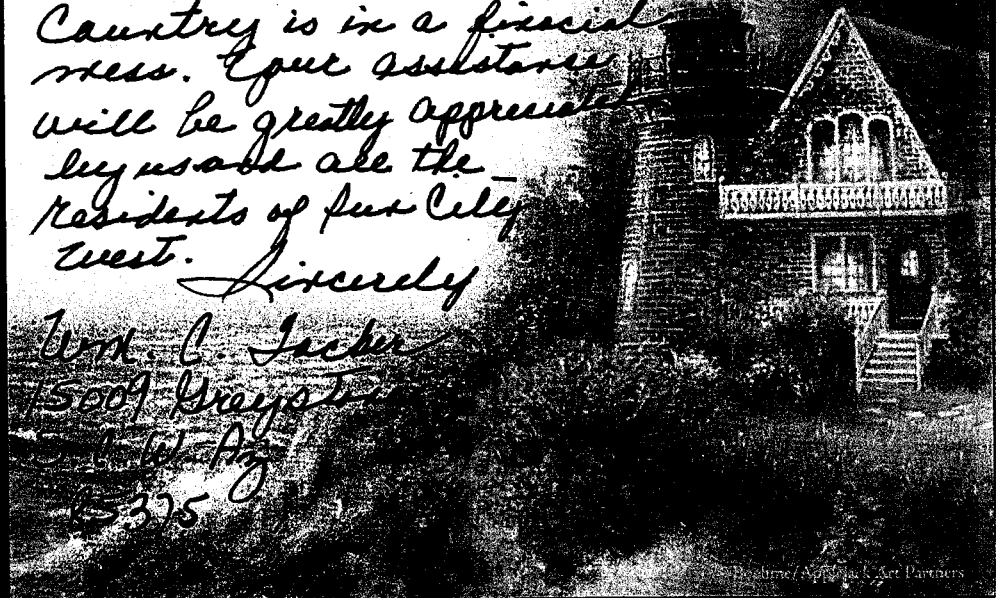
Dear Commissioners

We live in Sun City West and are disgusted by the ridiculously high rate increase requested by Az. A.M. Water. We are retired on a fixed income and do not have any extra income to pay an increase of 79.96% in water rates.

Please protect us by drastically slashing the rate increase you allow Az. A.M. water to have. They are asking for a 500% increase in operating income at a time when the entire Country is in a financial mess. Your assistance will be greatly appreciated by us and all the Residents of Sun City West.

Sincerely

Wm. C. Tacker
15009 Greystone Dr
Sun City West, AZ
85375



Realtor/Agent/Partners

March 25, 2009

Dear Commissioners,

Being a resident in Sun City West,
Az. I am upset by the percentage
of an increase in the water rates.
It seems that they are asking
for a huge increase in hopes
of getting a bigger normal increase.
This is a burden I myself
and all the other retirees in
the area.

Please decide wisely as you
are our voice.

Thank you
Nancy Wyatt
21018 N. 124th Ave
Sun City West 85375

Nancy Wyatt
21018 N 124th Ave
Sun City West, AZ 85375

3/23/2009

Arizona Corporation Commission
Utilities Division
1200 West Washington Street
Phoenix, Az 85007

MAR 27 2009

Robert Rasmussen
6102 N. Quail Run Road
Paradise Valley, AZ 85253

Re: Arizona-American Water Rate Case W-01303A-08-0227 Paradise Valley Water District

Commissioners:

My name is Robert Rasmussen and I spoke in public comment on March 19, 2009 regarding the above matter. I wanted to reiterate my comments and perhaps bring some substance to those issues I spoke about.

1. Consolidation:

Consolidation of the Arizona-American Water entities across Arizona is a very complex issue involving a wide variance of conditions in the various areas of Arizona. If each water entity was a separate company, there would be separate rate case hearings and each water district would stand on its own. Tubac has their issues, Mohave theirs, and Paradise Valley has theirs. Let each water district deal with their own problems. Please do not burden established districts with other district's new problems.

2. Arsenic Removal charges:

Arsenic Removal probably has at least two pieces: a fixed amount for equipment and a variable amount for processing each gallon. Show the fixed amount in the basic charge box as Arsenic Removal Basic Charge and show the variable Arsenic Removal Charge based on water use.

-----Current Water Charges-----	
Basic Service	9.50
Arsenic Removal Basic Charge	17.19
Arsenic Removal (\$.5261 x 13 Kgal)	6.84
Water Volume (\$.7600 x 13 Kgal)	9.88
Total Water Charges, Feb 19, 2009	43.41

There is confusion on my part on just what Arizona-American Water charges for Arsenic removal. Their Rate Case documents show a rate of 45.34 cents per thousand gallons, but my bill shows a rate of 52.34 cents per thousand based on a recent undated glossy sheet from Arizona-American Water. When did this change? What is the correct rate as approved by the Commission?

3. Make residential and commercial rates the same.

Picture someone holding up a gallon of commercial water and a gallon of residential water. If no one can tell or see any difference, then there should not be any difference in the water rates.

- Residents pay more for their water than commercial pays for the same amount of water.
- Non-residential customers use 28% of the water pumped by AA Water and pay less.
- Residents are subsidizing commercial business. Commercial can raise their prices; residents do not have that luxury.
- **Water rates should be set such that conservation becomes an economic factor for all customers, residents and commercial alike.**

4. Issues with AA Water proposed rate structure:

Arizona-American Water and RUCO staff indicate this rate request is only about 20%. My research indicates otherwise. **(Chart attached)**

- Bills will increase 34 to 129% for the 5000 to 80,000 gallon users. (color highlight in center of chart page)
- Typical water users, 15,000 to 30,000 gallons, will see their bills double. A 25,000 gallon user will see a 129% increase. (red color highlight in center of chart page)
- AA Water proposed rates do not offer any real incentive for the high volume water users to reduce their consumption. High volume users are getting their water pretty cheap considering.
- All water use above 125,000 gallons is the same \$3.42 rate, not much higher than the old \$3.18 rate. Which means that the million gallon user isn't really paying that much more.

My proposal would increase the number of water rate tiers with ever increasing rates to address high volume users.

Water use below 80,000 gallons a month would have a reduction in bills (yellow color highlight right side of chart page). This also keeps their bills inline with what they are currently paying now.

- First 50,000 gallons – 75 cents per thousand up to 50,000 gallons
- Next 25,000 gallons - \$2.00 per thousand up to 75,000 gallons
- Next 25,000 gallons - \$4.00 per thousand up to 100,000 gallons
- Next 100,000 gallons - \$5.00 per thousand up to 200,000 gallons
- Next 200,000 gallons - \$6.00 per thousand up to 400,000 gallons
- Next 200,000 gallons - \$7.00 per thousand up to 600,000 gallons
- For every additional 200,000 gallon increment, the rate increments up \$2.00 a thousand

And all users above 80,000 gallons would see increases in their water bills.

Thank you for hearing me on March 19 and for reviewing this letter and attached chart.

Sincerely,

Robert Rasmussen

Robert Rasmussen
Paradise Valley, AZ 85253

Current Rates			Proposed Rates			Robert's Rates		
no arsenic			no arsenic			no arsenic		
	first 25000	\$0.76		first 4000	\$0.8349		first 50000	\$0.75
	next 55000	\$1.65		next 16000	\$1.7798		next 25000	\$2.00
	over 80000	\$2.18		next 45000	\$2.3426		next 25000	\$4.00
				next 60000	\$2.9054		next 100000	\$5.00
	Without			over 125000	\$3.4254		next 200000	\$6.00
	High Block						next 200000	\$7.00
	Charge						next 200000	\$8.00
					Proposed		next 200000	\$9.00
					Rate		each 200000	\$10.00
					Increase			Robert's
								Rate
								Increase
gallons	rate	\$ bill \$	rate	\$ bill \$		rate	\$ bill \$	
1,000	\$0.76	0.76	\$0.8349	0.83	9.9%	\$0.75	0.75	-1.32%
2,000	first 25000	1.52	first 4000	1.67	9.9%	first 50000	1.50	-1.32%
3,000		2.28		2.50	9.9%		2.25	-1.32%
4,000		3.04		3.34	9.9%		3.00	-1.32%
5,000		3.80	\$1.7798	5.12	34.7%		3.75	-1.32%
10,000		7.60	4000 to	14.02	84.5%		7.50	-1.32%
15,000		11.40	20000	22.92	101.0%		11.25	-1.32%
16,000		12.16		24.70	103.1%		12.00	-1.32%
20,000		15.20		31.82	109.3%		15.00	-1.32%
25,000		19.00	\$2.3426	43.53	129.1%		18.75	-1.32%
30,000	\$1.65	27.25	20000 to	55.24	102.7%		22.50	-17.43%
35,000	25000 to	35.50	65000	66.96	88.6%		26.25	-26.06%
40,000	80000	43.75		78.67	79.8%		30.00	-31.43%
45,000		52.00		90.38	73.8%		33.75	-35.10%
50,000		60.25		102.09	69.5%		37.50	-37.76%
60,000		76.75		125.52	63.5%	\$2.00	57.50	-25.08%
65,000		85.00		137.23	61.5%	50,000 to	67.50	-20.59%
70,000		93.25	\$2.9054	151.76	62.7%	75,000	77.50	-16.89%
75,000		101.50	65000 to	166.29	63.8%		87.50	-13.79%
80,000		109.75	125000	180.81	64.8%	\$4.00	107.50	-2.05%
90,000	\$2.18	131.55		209.87	59.5%	75,000 to	147.50	12.12%
100,000	80000 to	153.35		238.92	55.8%	100,000	187.50	22.27%
110,000	1,100,000	175.15		267.98	53.0%	\$5.00	237.50	35.60%
120,000		196.95		297.03	50.8%	100,000 to	287.50	45.98%
125,000		207.85		311.56	49.9%	200,000	312.50	50.35%
130,000		218.75	\$3.4254	328.68	50.3%		337.50	54.29%
140,000		240.55	125000 to	362.94	50.9%		387.50	61.09%
150,000		262.35	1,100,000	397.19	51.4%		437.50	66.76%
200,000		371.35		568.46	53.1%		687.50	85.14%
250,000		480.35		739.73	54.0%	\$6.00	987.50	105.58%
300,000		589.35		911.00	54.6%	200,000 to	1,287.50	118.46%
350,000		698.35		1,082.27	55.0%	400,000	1,587.50	127.32%
400,000		807.35		1,253.54	55.3%		1,887.50	133.79%
450,000		916.35		1,424.81	55.5%	\$7.00	2,237.50	144.18%
500,000		1,025.35		1,596.08	55.7%	400,000 to	2,587.50	152.35%
600,000		1,243.35		1,938.62	55.9%	600,000	3,287.50	164.41%
700,000		1,461.35		2,281.16	56.1%	\$8.00	4,087.50	179.71%
800,000		1,679.35		2,623.70	56.2%	up to 800,000	4,887.50	191.04%
900,000		1,897.35		2,966.24	56.3%	\$9.00	5,787.50	205.03%
1,000,000		2,115.35		3,308.78	56.4%	up to 1,000,000	6,687.50	216.14%
1,100,000		2,333.35		3,651.32	56.5%	\$10.00	7,687.50	229.46%
						each 200,000		